

SMALL BUSINESS LOAN FUND CORPORATION

MINUTES OF THE BOARD OF DIRECTORS SPECIAL MEETING

March 21, 2012

PUBLIC SESSION

A Special meeting of the Board of Directors (the “Board”) of the Small Business Loan Fund Corporation (the “Corporation”) was held in public session at the offices of the Rhode Island Economic Development Corporation, 315 Iron Horse Way, Suite 101, Providence, Rhode Island on March 21, 2012, scheduled for 1:00 p.m., pursuant to notice of the meeting to all Directors, and public notice of the meeting as required by the By-Laws of the Corporation and by Rhode Island General Law 42-46-6.

The following Directors were present and participated throughout the meeting: Mr. Raymond Fogarty, Mr. William Parsons, Mr. Tom Stocker and Ms. Leslie Taito.

The following Director(s) were absent: Mr. Richard DeMerchant.

Also present were: Sean Esten, Corporation Administrator, Adam Quinlan, Corporation Staff, Dan Price, Corporation Staff, Stacy Farrell, Corporation Secretary, Susan Morgan, Corporation Administrator, Earl F. Queenan, Managing Director of Financial Services, Christopher Cannata, Corporation Staff, and Denise Barge, Corporation Staff and Armeather Gibbs, Managing Director of Urban Finance and Business Development.

Mr. Fogarty called the meeting to order, and then turned the meeting over to Robert Leaver of New Commons so that he could facilitate the meeting.

1. Call to Order.

Mr. Fogarty called the meeting to order at 1:04 p.m.

2. Strategic Planning Discussion

Mr. Leaver reviewed the topics which were to be discussed during the meeting. These included: review and finalization of agreements from the previous strategic planning session, target audience for the programs, parameters for each fund, to finalize loan ranges for the programs, and to discuss collateral requirements. In addition he noted that there should be some focus on board development as far as their fiduciary role, policy setting role, and the type of training they should obtain.

Mr. Leaver stated that there was some consensus from the last meeting in regards to staff approval limits. Also there is agreement that pre-qualifying standards need to be developed in order to better assess the opportunities which were to be presented to the Board.

There was a discussion regarding how deals should be viewed for economic impact in regards to the jobs they create. It was suggested that steps be taken to create a better perception of the agency in regards to the ease of doing business. It was noted that the receipt of incomplete applications is an internal problem, and there was discussion around how to improve this.

Target audience for the marketing of the potential urban fund, SBLF (EDA funds) and SSBCI funds was also a topic of discussion. This included discussion regarding loan ranges, interest rates, collateral and restrictions. This led to a suggestion that a policy subcommittee be formed to better develop policy and procedures around the programs.

The final topic of discussion revolved around the fiduciary responsibilities of the board members. It was concluded that the board members should seek training from the Northeast Economic Developers Association (NEDA). Also, they should reach out to other economic development agencies to determine what their best practices are. Finally, they were encouraged to actively market the programs and seek additional funding sources for the programs.

At the conclusion of the meeting, Mr. Leaver addressed the items of discussion where a consensus was made, provided a list of open questions, and instructed staff as to what the next steps should be.

Executive Session

There were no items which needed discussion in executive.

3. Other Business

There being no further business to come before the Board, Mr. Fogarty called for a vote to adjourn the meeting. Upon motion duly made by Mr. Parsons and seconded by Mr. Stocker, the motion to adjourn the meeting was duly adopted.

The following Directors voted in favor of the foregoing: Mr. Parsons, Ms. Taito, and Mr. Stocker.

The following Directors voted against the foregoing: None.

The following Directors were absent for the vote: Mr. DeMerchant

The meeting was adjourned at 4:13 p.m.

Respectfully submitted,

/s/ Stacy Farrell
Stacy Farrell, Secretary